

**UNITED STATES DEPARTMENT OF COMMERCE****United States Patent and Trademark Office**

Address: COMMISSIONER OF PATENTS AND TRADEMARKS
Washington, D.C. 20231

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.
09/418,943	10/15/99	SOWELL	T 202231

EXAMINER

TM02/0606

MARK JOY
LEYDIG VOIT & MAYER LTD
TWO PRUDENTIAL PLAZA SUITE 4900
180 NORTH STETSON
CHICAGO IL 60601-6780

NGUYEN, N

ART UNIT

PAPER NUMBER

2164

DATE MAILED:

06/06/01

Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trademarks

Office Action Summary

Application No.
09/418,943

Applicant(s)
Sowell

Examiner
Nga B. Nguyen

Art Unit
2164



-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE three MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on Mar 19, 2001
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 35 C.D. 11; 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-44 and 53-55 is/are pending in the application.
- 4a) Of the above, claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☐ Claim(s) _____ is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☒ Claims 1-44 and 53-55 are subject to restriction and/or election requirements.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are objected to by the Examiner.
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. § 119

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).
- a) ☐ All b) ☐ Some* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- *See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

Attachment(s)

- 15) ☒ Notice of References Cited (PTO-892) 18) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 16) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 19) ☐ Notice of Informal Patent Application (PTO-152)
- 17) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s). 5 20) ☐ Other: _____

Art Unit: 2164

DETAILED ACTION

1. This Office Action is the answer to the communication filed on March 19, 2001 , which paper has been placed of record in the file.
2. Claims 1-44 and 53-55 are pending in this application.

Claim Rejections - 35 USC §101

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. Claims 53-55 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The claims, as presently claimed and best understood were reconsidered in light of the "Examination Guidelines for Computer-Related Inventions" and were found to be non-statutory because the claims recite Non-functional Descriptive Material per se. The claims neither recite a series of steps to be performed on a specific apparatus nor a specific apparatus for performing a process.

It is for these reasons that these claims are deemed to be non-statutory.

Art Unit: 2164

Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371© of this title before the invention thereof by the applicant for patent.

6. Claims 1-7, 11-25, 27-29, 31-35, 37-40, 42-44, and 53-55 are rejected under 35 U.S.C. 102(e) as being anticipated by Krishnan et al, U.S. Patent No. 6,073,124.

Regarding claim 1, Krishnan discloses a method for charging customers for user of software comprising the steps of:

establishing a use-based pricing scheme for a set of software modules (figure 17);

distributing the set of software modules to a customer (column 6, lines 44-62);

monitoring customer use of the software modules (column 7, lines 24-43); and

charging the customer according to use of the distributed software modules as determined during the monitoring step (19, lines 35-54).

Regarding claim 2, Krishnan further discloses the customer creates a number of instances from a software module, and use of the software module is measured according to instances detected at a site of the customer during the monitoring step (column 7, lines 20-28).

Regarding claim 3, Krishnan further discloses instances created from a software module are periodically accessed to determine use during the monitoring step (see "license code").

Art Unit: 2164

Regarding claim 4, Krishnan further discloses the monitoring step comprises registering each day that an instance created from a software module is active and wherein the charging step comprises charging the customer a daily rate for use of the software module (column 24, lines 4-6).

Regarding claim 5, Krishnan further discloses providing a demonstration mode for instances such that instances in the demonstration mode are executable at a customer site without charge (column 7, lines 35-36, see “trial use”).

Regarding claim 6, Krishnan further discloses maintaining a single agreement governing use of instances created from the set of software modules for an enterprise (column 18, lines 45-55, see “electronic licensing certificate”).

Regarding claim 7, Krishnan further discloses monitoring a termination date for instances derived from a software module having a time-limited duration (column 18, lines 55-56, see “an authorized time period for use may be specified”).

Regarding claim 11, Krishnan further discloses the charging step is based upon registered uses of a software module (column 19, lines 25-35).

Regarding claims 12-13, Krishnan further discloses the registered uses of a software module are measured according to execution of an instance created from the software module and the instance is an object created from an object class (column 17, lines 27-42, see “licence code”).

Art Unit: 2164

Regarding claims 14-15, Krishnan further discloses the software module is an object class for creating an application engine object or an object class for creating a view engine object (column 7, lines 5-15).

Regarding claim 16, Krishnan further discloses the monitoring step comprises determining a time duration that a software module is active (column 18, lines 55-56).

Regarding claim 17, Krishnan further discloses the monitoring step comprises registering execution of an instance that tracks throughput of a process (column 7, lines 17-67).

Regarding claim 18, Krishnan further discloses individual ones of the set of software modules are individually priced (see figure 17).

Regarding claim 19, Krishnan further discloses the set of software modules includes at least a first software module supplied by a third party vendor and further comprising the step of: compensating a third party vendor based upon a use by a customer of the first software module determined during the monitoring step (column 19, lines 52-60).

Regarding claims 20-21, Krishnan further discloses the distributing step comprises transmitting the set of software modules via a network connection comprises an Internet connection (column 6, lines 33-43).

Regarding claim 22, Krishnan further discloses a step of reporting usage information to a software brokerage facility (table 2).

Regarding claim 23, Krishnan further discloses the reporting step includes identifying the location of an instance created from a software module (table 2, column 9, lines 45-47).

Art Unit: 2164

Regarding claim 24, Krishnan further discloses determining that a license manager has not reported to a software brokerage facility and in response registering a communication failure at a central licensing facility (column 19, lines 60-67).

Regarding claim 25, Krishnan further discloses the monitoring step includes storing use information in summary format in a database (table 1).

Regarding claims 27-28, Krishnan further discloses the software modules relate to industrial manufacturing automation software or relate to industrial manufacturing information software (column 7, lines 5-15).

Regarding claim 29, Krishnan further discloses maintaining an agreement governing use of instances created from the set of software modules for an enterprise wherein the instances comprise both lifetime billed and use-based billed instances (column 7, lines 33-37, see “electronic license certificate”, “permanent purchase”, “rental”).

Regarding claim 31, Krishnan discloses a method for vending software in the form of software modules via electronic commerce channels comprising the steps of:

maintaining an electronic commerce site including a software module selection interface, the software module selection interface enabling a customer to request a software module for use at a customer site (figures 2-3, column 6, line 44-column 7, line 15);

providing a software module management framework to the customer for installation at a customer site, wherein the management framework includes components for registering use of the software module at the customer site (column 7, lines 17-43); and

Art Unit: 2164

charging the customer based upon registered use of the software module (column 9, lines 12-17).

Regarding claim 32, Krishnan further discloses the use of the software module comprises executing an instance created from the software module (column 9, lines 34-65).

Regarding claim 33, Krishnan further discloses the use of the software module comprises creating an instance from the downloadable module (column 9, lines 34-65).

Regarding claim 34, Krishnan further discloses registering use of the downloadable module provides a measure of throughput of an industrial process (column 9, lines 60-67).

Regarding claim 35, Krishnan further discloses the module management framework supports creation of instances from software modules at the customer site having deferring use modes including at least: a lifetime mode and a use-based mode, and wherein method comprises the further step of registering execution of instances operating in the use-based mode (column 18, lines 36-45)

Regarding claim 37, Krishnan discloses a method for charging customers for use of software comprising the steps of:

providing a set of individually identifiable units of executable software (column 6, lines 57-62);

individually pricing ones of the set of individually identifiable units of executable software (figure 17);

authorizing use of the executable software (column 7, lines 33-43); and

Art Unit: 2164

charging a customer based upon use of selected ones of the set of individually identifiable units of executable software (column 19, lines 42-54).

Regarding claim 38, Krishnan further discloses the authorizing step comprises transmitting a license file containing code enabling use by the customer of the executable software (column 7, lines 63-67).

Regarding claim 39, Krishnan further discloses the steps of: integrating self-monitoring process software within the executable software; and registering use of the executable software by the self-monitoring process (column 7, lines 24-43).

Regarding claim 40, Krishnan further discloses the executable software is industrial automation software (column 7, lines 5-15).

Regarding claim 42, Krishnan discloses a method for charging customers for user of software comprising the steps of:

first providing a set of software modules for software customers (column 6, lines 57-62);

second providing a software licensing facility including a broker facility through which software customers pay for software execution units, and wherein the broker facility includes a set of software customer accounts (column 19, lines 20-67); and

charging a software customer account a number of software execution value units based upon the value of software modules utilized by a customer (column 19, lines 42-54).

Regarding claim 43, Krishnan further discloses the charging step is performed by an automated billing process (column 19, lines 42-54).

Art Unit: 2164

Regarding claim 44, Krishnan further discloses providing an on-line customer interface; and wherein the first providing step includes the step of providing a network interface enabling users to download software modules from a remote location (column 5, lines 5-20).

Regarding claims 53-55, Krishnan discloses a software module facilitating automated distribution of software to customers comprising: a supplier identification (column 19, lines 7-12); a product description (table 2); an executable program (column 7, lines 24-27); a billing definition includes a usage rate and a lifetime rate (column 7, lines 35-37).

Claim Rejections - 35 USC § 103

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 8, 9, 10, 26, 30, 36, and 41 are rejected under 35 U.S.C. 103(a) as being unpatentable over Krishnan et al, U.S. Patent No. 6,073,124.

Regarding claim 9, Krishnan does not explicit teach the steps of: maintaining an account for storing units of credit for a customer; and wherein charging step comprises decrementing the customer's credit account by an appropriate number of units of credit based upon monitoring step. Official notice is taken that this feature is well-known in the art. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to include

Art Unit: 2164

this feature in Krishnan's for the purpose of automatically charging customer for the use of software module because customer already has credit account with the provider, so customer does not need to re-submit his credit card when he wishes to re-order the software product or purchase another software product.

Regarding claim 10, Official notice is taken that generating a report summarizing use of software modules at the customer site is well-known in the art. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to include this feature in Krishnan's for the purpose of providing the information to the customer.

Regarding claims 8, 26, and 41, Krishnan does not explicitly teach the self-monitoring process software comprises includes functions for issuing a warning in response to detecting an upcoming expiration date for an instance of a software module or informing the customer of a need to reorder credit to continue using the executable software. Official notice is taken that these features are well known in the art. For example, an pop up message while the content software is running reminds the user to update specific information when an authorized time period for using the content software is upcoming expired. This is a well-known technique. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to include these features in Krishnan's for the purpose of reminding the customer the expired date of software, so the customer does not forget to re-order credit in order to continue to use the software.

Art Unit: 2164

Regarding claims 30, Official notice is taken that providing configuration tools enabling a user to create customized instances from the software modules is well-known in the art. For example, to install Microsoft Office 2000 into PC, the software package provide the configuration tools to the user to customize the installation such as the choice of installing full version or custom, the choice of which folder the user want to save, etc....Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to include this feature in Krishnan's for the purpose of helping the user to create customized instances based on the configuration tools in the software product.

Regarding claims 36, Krishnan does not explicitly teach the use-based mode is measured in days and wherein an instance operating in use-based mode is registered each day in which the instance is executed. However, Krishnan does teach decoding the electronic license certificate to obtain the parameters of the license such as license terms (column 18, lines 45-55). Thus it would have been obvious in Krishnan to set the license term in days and the customer using software has to register each day if the license term is expired everyday.

Conclusion

9. Claims **1-44** and **53-55** are rejected.

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen, whose telephone number is (703)306-2901. The examiner can normally be reached on Monday-Thursday from 8:30 AM-5:00 PM.

Art Unit: 2164

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent A. Millin, can be reached on (703)308-1065.

11. **Any response to this action should be mail to:**

Commissioner of Patents and Trademarks

c/o Technology Center 2700

Washington, D.C. 20231

or faxed to:

(703) 308-9051, (for formal communications intended for entry)

or:

(703) 308-5397 (for informal or draft communications, please label

"PROPOSED" or "DRAFT")

Hand-delivered responses should be brought to Crystal Park II,

2121 Crystal Drive, Arlington.

VA., Sixth Floor (Receptionist).

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703)305-3900.

Nga B. Nguyen
May 29, 2001


VINCENT MILLIN
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 2100